

**LAKESIDE**  
**PRIVATE PLAN CHANGE 20**

**Evidence**  
**for**  
**Chris Meehan**

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**Introduction**

1. My name is Christopher Scott Meehan. I am responsible for advising Lakeside Developments 2017 Limited (“LDL”) about consenting, development, marketing and sales strategy, and other aspects of greenfield residential master planned development, intended to be carried out by LDL, in developing the development to be known as ‘Lakeside’.
2. I am a director of LDL and authorised by LDL to give this evidence on its behalf. I also have a personal interest in the financial outcome of the development.
3. I have been involved in different aspects of property development for about 20 years. In 2000, I established Belle Property in Sydney, Australia. Belle is a property marketing and real estate agency company, which specialises in premium real estate services.
4. In 2008, I formed Winton Partners. Winton Partners is a New Zealand owned residential developer, of note, with 12 land development projects underway throughout New Zealand and Australia, that will deliver in excess of 7,000 residential lots and apartment units upon completion.
5. At Winton Partners, I am involved in providing investment, strategy and management advice in respect of a range of residential development projects in New Zealand and Australia.
6. Winton Partners derived its name from the small rural Southland town of Winton, in which I was born. My wife Michaela, myself and our three boys, now live in Auckland.
7. To clarify, LDL is a subsidiary of Winton Partners, and is the development company established to undertake the development of Lakeside.
8. This Evidence addresses the Private Plan Change request for Lakeside (the “Request”) from the developer’s point of view.

**Te Kauwhata**

9. There are three (3) key attributes that I look for when I am evaluating potential properties for residential development. These three (3) are:
- Location in relation to an existing community;
  - The visual amenity from the property; and
  - Location in relation to existing transportation links.
10. It is very rare that a property 'ticks the box' on all three of these evaluation criteria. The Lakeside property, which is subject to the Request, most certainly does.
11. Lakeside is the logical extension of the existing Te Kauwhata village. It is the closest undeveloped parcel of land, of scale, to the Te Kauwhata village centre and is effectively the undeveloped southern half of the town.
12. The Lakeside development will reinforce the existing Te Kauwhata village centre by providing a walkable catchment to all of Te Kauwhata's existing infrastructure and amenities – including the shops, schools (both primary and secondary), the library, the domain and community sports complexes. There is no doubting that Te Kauwhata is a strong vibrant community. This could not have been more aptly demonstrated than by the 200+ local residents who turned up to the community open day which LDL held in December 2016.
13. The Lakeside development will benefit greatly from the visual and recreational amenities created by its location adjoining Lake Waikare. The elevated nature of the residential component of the development will ensure that the vast majority of lots within the development will have views of the Lake and the surrounding countryside, and all residents will have access to the open spaces which will border Lake Waikare.
14. Te Kauwhata can be classified as both a "commuter town" and "servicing town". As we are all aware, it is located next to State Highway 1 and is within easy commuting distance of Auckland and Hamilton. NZTA's ongoing upgrade of the Waikato expressway will serve to reduce travel time and increase commutability. As identified within the Labour Government's proposed Regional Rapid Rail Plan, Te Kauwhata has been identified as a "stop" on the commuter service, which is to run from Auckland to Hamilton.

### Population Inflows

15. Te Kauwhata is uniquely positioned within the Auckland / Hamilton corridor and also within the “golden triangle” of Auckland, Hamilton and Tauranga.
16. Future Proof, who are tasked with formulating a growth strategy specific to the Hamilton, Waipa, and the Waikato sub-region, have identified Te Kauwhata as a ‘Strategic Growth Node’ within the Auckland / Hamilton corridor.
17. The Te Kauwhata Residential Market Assessment, compiled by Property Economics and which accompanied the Request, made the following statements:
  - *“Te Kauwhata has the opportunity to tap into the escalation overflow demand for Auckland urban fringe location with more affordability due to many buyers being priced out of the Auckland market with Auckland land prices making it increasingly difficult to deliver affordable properties to the market”.*
  - *“Within the ‘Golden Triangle’ (i.e. Auckland Region, Hamilton City and Tauranga City), net additional households over the next 17 years is forecast to equate to demand for around 211,000 new dwellings (12,400 new dwellings per annum). To put this into context, Residential and Country Living zoned land in Te Kauwhata ‘at capacity’ will accommodate less than 1,300 dwellings. Relative to the net growth over this period this equates to less than 0.6% of the forecast growth within the Golden Triangle.”*
  - *“Net migration growth in New Zealand is placing increased pressure on residential supply, particularly in Auckland. The 2015 year saw a new ‘high’ reached of around 65,000 net migration increases, driven by fewer ‘departures and increased arrivals’. This is placing increasing pressure on residential supply in Auckland, with ‘new builds’ struggling to keep up with the escalation requirements of the market.”*
  - *“Within 45 minutes’ drive from Te Kauwhata there is an employment base of over 330,000 people indicating a significant level of employment within a comfortable drive from the proposed development.”*
18. Further to the above statements, New Zealand’s total net migration in 2016 showed that an additional 72,000 people arrived in New Zealand, and a further 70,000 in the 2017 year. The total number of additional people arriving to live in New Zealand, from 2015 to 2017, was 207,000.

19. I am not here to debate the merits of migration, nor what the ideal level of migration should be, but there can be no question that the population of New Zealand, and particularly that of Auckland, is increasing, therefore the housing supply also needs to increase to cater for this rise in demand.
20. There can be no doubt that the population of Te Kauwhata, and level of residential development within the township has increased and will continue to increase, due in main to an “overflow” of people from Auckland. Auckland’s growth is already flowing into Northern Waikato as is vividly demonstrated by the level of development at Pokeno.
21. This population inflow into Te Kauwhata will continue and be encouraged by council’s growth policies. I believe that the best way to accommodate this increase in population is in a coordinated manner, via the development of a master planned community to ensure that there is appropriate capacity to cater for the increased demand within a high-quality neighbourhood.

### **The Lakeside Development**

22. The development proposal for the property is to create a large scale master planned community and community hub to be known as “Lakeside”. The proposed development will use the natural characteristics of the property, and its varying topographies, to stage the development.
23. The vision for Lakeside is to create a quality urban environment that is bounded by over 60 hectares of green open space and the foreshore of Lake Waikare.
24. A key design principle of Lakeside is the provision of pedestrian connectivity through the development, via the incorporation of a pedestrian walkway network throughout. This pedestrian network will include the creation of public access to the edge of Lake Waikare for the very first time.
25. The development of the property, as outlined within the Request, will not only benefit the future residents of Lakeside, but also greatly enhance the existing community of Te Kauwhata.
26. When I meet with members of a community wherever I am considering a development, I always ask what it is that we can provide for that community. The simple reason for this, is that I believe it is important to give something back to the community. When I asked this question of the Te Kauwhata community, the resounding response from all quarters was twofold.
27. Firstly, you need to fix the wastewater treatment plant. And secondly, we would like public access, via a pedestrian / cycle network, to be created along the foreshore of Lake Waikare. The Request, includes both of these requests, which I discuss in more detail below.

28. The Lakeside development will provide new residential dwellings of quality within an urban environment with all the benefits that come from being located within 60 hectares of open space. I have absolutely no doubt that Lakeside will attract purchasers who would or could not otherwise purchase a home. New residential dwellings at the proposed price point, which benefit from the range of residential and recreational amenities available at Lakeside, are not available elsewhere in the Auckland / Hamilton corridor.
29. While it does not form part of this Request, I would like to comment on the discussions LDL has had to date with the Ministry of Education, around the provision of a new primary school within the development. The feedback received, through our community consultation, centered around the pressure the existing schools within Te Kauwhata were experiencing, due to the increased population. With this in mind, LDL has identified a site within the development which is suitable for a new school to be constructed and has made a presentation to the Ministry of Education. The major benefit of locating a new school within Lakeside comes from the greenfield nature of the development. This allows ultimate flexibility in the creation of, not only the development's master plan, but also the design of the proposed school site and the school itself. The discussion with the Ministry of Education is ongoing and I am committed to providing an opportunity for the new school within the development, if that is the desire of the Ministry of Education, following their consultation process with the local schools and community.
30. As is demonstrated by the Request, LDL is acutely aware of the cultural significance of the property and the surrounding area to the mana whenua. The consultation process undertaken with the Nga Muka Development Trust has been an extremely beneficial process, not only to the development but to myself personally. I look forward to the continued relationship between Lakeside and Nga Muka, and especially with its chairman Glen Tuphini. The development of the Iwi reserve on the most eastern point of the Lakeside is something that I personally look forward to being involved in.
31. The Lakeside project team consultants have provided evidence, and will answer questions, in relation to their specific discipline and how it relates to the development, however I would like to take this opportunity to discuss two specific aspects of the Lakeside development.
32. The first is car parking. The notified plan change provided for one car space per homes on sites up to 300m<sup>2</sup> and two spaces per homes on sites over 300m<sup>2</sup>.
33. This meant that all homes within the medium density precinct of Lakeside would provide two carparks and homes within the higher density precinct would provide one carpark on the smaller lots and two carparks on the larger lots (greater than 300m<sup>2</sup>).

34. The Council's section 42A report is recommending that dwellings with only one bedroom provide one carpark per dwelling and with two or more bedrooms provide two carparks per dwelling. I do not support this change and request that the planning provision, in relation to the parking controls, revert to as notified.
35. One of the key objectives of the Lakeside development is to provide a greater range of market affordable housing in the Te Kauwhata area. The key determinant of housing affordability is simply, the size of the lot and the size of the home constructed on it. The larger the lot and the larger the home constructed on that lot, the greater the cost.
36. The requirement to provide two onsite carparks per home, on a lot less than 300m<sup>2</sup>, when the home has two or more bedrooms will directly result in the increased cost of lots and a lower number of completed homes within Lakeside. The reason for this is simply that, to accommodate two onsite carparks on a lot, the size of the lot must be increased. This results in fewer lots created, and more expensive lots because the development costs are spread across fewer lots within the development.
37. Everybody realises that to purchase your first home and "to get on the property ladder" sacrifices must be made. The sacrifices made not only relate to what you must forgo to raise a deposit, but it also relates to other sacrifices, I would suggest that all first home buyers would be willing to sacrifice the ability to park a second car in their driveway if it meant that they were able to own their own home.
38. The great benefit of Lakeside is that the development offers every purchaser choice - be it the first home buyer, the expanding family upsizing into their second home, or the retiree looking to downsize either to a smaller home or into the retirement village. By not providing choice as it relates to the parking provision within the higher density precinct, you are limiting the number of purchasers who would be able to call Lakeside home.
39. As outlined by Andy Carr, our transportation consultant, in his evidence, on street parking is not necessarily an adverse effect when properly assessed and accommodated. Cars that are parked on the street play an important role in ensuring that vehicle speeds are kept to a minimum, improving the safety of residents within the development.
40. As I detailed earlier, the notified plan change provided for one car space per dwelling on sites up to 300m<sup>2</sup> and two spaces per dwelling on sites over 300m<sup>2</sup>. For the reasons I have outlined above, I believe this is the parking provision that should be adopted for Lakeside.

41. The second specific development point I would like to discuss relates to the implementation of the Lakeside Design Control Guidelines.
42. In all developments that I am involved in I require that a set of Design Control Guidelines are created to protect the character of the development and the future homes that are created within the development.
43. The Design Control Guidelines are applied to each lot, via a land covenant, and will be administered by LDL with the help of an appoint architect.
44. The creation of the Lakeside Design Control Guidelines will ensure that each of the homes within Lakeside is constructed to a standard that befits the development. I want each development that Winton Partners undertakes to be a successful development, not only for Winton but also for the future owners and residents of the development. The Lakeside Design Control Guidelines play an important part in achieving this.

#### **Housing Infrastructure Fund**

45. The Waikato District Council ("Council") has been allocated \$37m of funding from the Ministry of Business, Innovation and Employment's ("MBIE") Housing Infrastructure Fund (the "HIF"). The HIF funding, via an interest free loan, will be used to upgrade infrastructure (water, wastewater and roads) within Te Kauwhata and will futureproof much of the town's infrastructure for generations to come. The Lakeside development was the main proponent for this funding application which will ensure that adequate infrastructure is in place to service the development.
46. In October 2016, the MBIE issued a document entitled 'Housing Infrastructure Fund Call for Indicative Proposals'. This document stated the HIF Objectives and Outcomes as:

*"The HIF is a one-off contestable fund, aimed at accelerating short and medium-term supply of new housing in high-growth urban areas. Territorial authorities can apply for interim funding to bring forward specific transport and water infrastructure projects. Funding is expected to be prioritised on how many new houses will be built, cost per dwelling, when dwellings will be available, development certainty and timeframes for recouping the Crown's investment."*

47. The Council elected to make an application to the HIF for funding to upgrade and/or replace wastewater, water and roading infrastructure within Te Kauwhata. As was outlined within the Council proposal:

*“The HIF funding will provide infrastructure to allow the Lakeside development delivered by Winton Partners to be brought forward”, and “With HIF assistance, identified capital works programmes scheduled beyond 2017 can be brought forward to support the growth and capital expenditure proposed by the developer of the Lakeside Development.”*

48. Section 5 of the “Housing Infrastructure Fund Call for Indicative Proposals” requested that evidence be provided to satisfy:

*“The degree and nature of developer commitment or interest in accelerating development of the area in which the infrastructure will serve.”*

49. Council, in November 2016 and March 2017, requested that LDL provide a letter to outline its commitment to the Lakeside project and how it intended to fast track the project’s development.
50. On 30 November 2016 and 23 March 2017, I provided letters to MBIE and Council that were included within Council’s HIF application. These letters detailed LDL’s commitment to accelerate development at Lakeside and to deliver completed residential lots to the market in a timely manner.
51. In July 2017, MBIE allocated \$37m of funding, via an interest free loan, from the HIF to Council, to fund upgrades to Te Kauwhata’s wastewater, water and roading infrastructure.
52. The importance of LDL and the Lakeside development in securing this funding, cannot be underestimated. Without Lakeside there was no basis for the HIF application, and it is via the project’s development contributions that the majority of the funding will be repaid.
53. The opportunity presented by the HIF is a once in a generation opportunity to future proof the infrastructure of Te Kauwhata. This opportunity has only presented itself due to the Lakeside project.

#### **Existing Te Kauwhata Wastewater Treatment Plant**

54. As detailed within the Beca report referred to below, the existing Te Kauwhata Wastewater Treatment Plant (“TKWWTP”) uses obsolete technology in its treatment of wastewater and is currently in breach of its discharge consent from the Waikato Regional Council. It is not my place to judge or pass comment on the reasons for, or the decisions made, that have led to the current situation with the TKWWTP.

55. For the past six months, I have been an invited guest to Te Kauwhata Wastewater Treatment Consultation Group monthly meetings. The members of this consultation group were all submitters against the current wastewater discharge consent.
56. The key message I have taken away from attending these meetings is the frustration its members feel with regard to the lack of progress that has been made by the Council, in the six years since the consultation group was established, to formulate a suitable solution to the Te Kauwhata wastewater infrastructure issue.
57. Simply put, the Lakeside development is the driver that will solve this issue and will ensure that Te Kauwhata's wastewater infrastructure is upgraded and future proofed for generations to come.
58. LDL has prepared a discharge consent application for its proposed wastewater solution and the HIF funding will ensure adequate funding is available so that it can be constructed.
59. LDL and Council jointly commissioned Beca in October 2017 to complete a report about the TKWWTP (the "Report"). The scope of the Report was to *"determine the likely capacity and performance of the currently installed system, and to assess what possible actions could be taken to increase the plant's capacity and/or performance to enable it to comply with its resource consent conditions, given an additional 400 houses on top of the baseline projected growth (being the first stage of the Lakeside development)."*
60. The Report notes, amongst other things, the following:
- non-compliance with the current TKWWTP discharge consent for the previous two (2) years; and
  - eight (8) requirements to improve the performance of the TKWWTP to ensure that it becomes compliant with the current discharge consent and to increase the capacity of the TKWWTP to allow the initial stage of the Lakeside development to connect to the treatment plant (the "Required Works").
61. The Required Works can be categorised as follows:
- seven (7) items which relate to remedial/maintenance works to the TKWWTP totalling approximately \$1.6m; or
  - the installation of an MBR Treatment Plant at the TKWWTP for approximately \$2.8m.

62. Based on the findings of the Report, LDL made an offer to Council to fund the immediate purchase and installation of the required MBR Treatment Plant at the TKWWTP. Lakeside Developments' offer will not only ensure that the TKWWTP becomes compliant with the current discharge consent, but it will also allow the initial stage of Lakeside to connect to the existing treatment plant, helping to achieve the stated goal of the HIF which is "to fast track the provision of new homes".
63. The additional cost of the purchase and installation of the required treatment plant to service all of Te Kauwhata would be funded by LDL and offset against development contributions levied against the Lakeside development. This offer remains open to acceptance by Council.
64. The opportunity created by the Lakeside development and the HIF funding means that the situation that has lingered unresolved for over six (6) years can now be resolved.

#### **Residential Developers Not Land Bankers**

65. By any definition, Winton Partners are residential developers and not land bankers.
66. I can provide any number of examples of where Winton Partners, upon receiving rezoning for a property, has immediately commenced the development of the property.
67. One example I will provide, relates to Bridesdale Farm in Queenstown. Bridesdale Farm was Queenstown's first "Special Housing Area" under the Queenstown- Lakes District Housing Accord and the Housing Accords and Special Housing Areas Act 2013. Winton Partners maintained an extremely tight development programme for Bridesdale Farm in accordance with, and to promote the spirit and intent of, the Housing Accord legislation. Civil works commenced on site immediately upon receipt of the resource consent. Titles to the 137 residential lots were issued, only 10 months after the resource consent for the development was received.
68. A key criteria of the HIF application was, "*The degree and nature of developer commitment or interest in accelerating development of the area in which the infrastructure will serve.*" As stated within the HIF application, it is LDL's intention to commence development of the property upon the successful outcome of the Request. I would like to take this opportunity to restate that LDL is committed to delivering completed residential lots at Lakeside as soon as possible.
69. LDL is not simply looking to rezone this property and to then on-sell it to other parties for development. LDL will undertake the entire development, comprising applying for all required subdivision and land development consents, the provision of infrastructure, developing the open

spaces (including the public pedestrian network), the undertaking of the civil works required to deliver individual house lots and the construction of the buildings within the community hub.

### **Conclusion**

70. LDL wants Lakeside to be a successful development for the future owners and residents of the development, and for Lakeside to be held up as an example of how comprehensive medium density developments can be achieved. The Request submitted to Council achieves this outcome.
71. I would like to thank Council for being open to the prospect of development within their district and their engagement in the plan change process. I can assure you that this is not always the case and it is indeed refreshing.
72. I would also like to once again make reference to the quality of engagement and consultation that has occurred with the Nga Muka Development Trust as the mana whenua of the area. Long may this relationship continue.
73. Furthermore, I also wish to take this opportunity to once again state that the opportunity presented by the HIF funding, is a once in a generation opportunity to future proof the infrastructure of Te Kauwhata. This opportunity has only presented itself due to Winton Partners and specifically the Lakeside project to be developed by LDL.